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# SUGAR REPORTS

U. S. DEPARTMENT OF AGRICULTURE • PRODUCTION AND MARKETING ADMINISTRATION • SUGAR BRANCH

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Approved by the Outlook and Situation Board

The 1949 sugar requirements of consumers in the continental United States and the establishment of marketing quotas will be the subjects of a public hearing on November 15, 1948. The hearing will be held at 9:30 a.m. in the Auditorium of the Department of Agriculture, Washington, D. C. In addition to the hearing, the Department has announced that it would receive for consideration briefs from any interested party on the matters to be discussed at the hearing and on (a) local sugar consumption requirements and quotas for Hawaii and Puerto Rico and (b) the allotment of the amount of sugar which will not be marketed by any domestic area, the Republic of the Philippines, or Cuba.

This report provides material that is related to the subject matter of this hearing. The four sections of the Sugar Act of 1948 which are pertinent to the hearing and the filing of briefs are reproduced herein for convenience of the reader. Section 201 governs the determination of consumer requirements. Section 202 tells how the Secretary shall establish quotas or revise existing quotas. The determination of local consumption requirements and quotas for Hawaii and Puerto Rico is covered by Section 203. Section 204 tells what the Secretary shall do if he finds that any domestic area, the Republic of the Philippines, or Cuba is unable to market its quota. The domestic sugar-producing areas are the mainland cane sugar and beet sugar areas, Hawaii, Puerto Rico, and the Virgin Islands.

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SUGAR ACT OF 1948TITLE II -- QUOTA PROVISIONS

"Sec. 201. The Secretary shall determine for each calendar year, beginning with the calendar year 1948, the amount of sugar needed to meet the requirements of consumers in the continental United States; such determinations shall be made during the month of December in each year for the succeeding calendar year (in the case of the calendar year 1948, during the first ten days thereof) and at such other times during such calendar year as the Secretary may deem necessary to meet such requirements. In making such determinations the Secretary shall use as a basis the quantity of direct-consumption sugar distributed for consumption, as indicated by official statistics of the Department of Agriculture, during the twelve-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for a deficiency or surplus in inventories of sugar, and for changes in consumption because of changes in population and demand conditions, as computed from statistics published by agencies of the Federal Government; and, in order that such determinations shall be made so as to protect the welfare of consumers and of those engaged in the domestic sugar industry by providing such supply of sugar as will be consumed at prices which will not be excessive to consumers and which will fairly and equitably maintain and protect the welfare of the domestic sugar industry, the Secretary, in making any such determination, in addition to the consumption, inventory, population, and demand factors above specified and the level and trend of consumer purchasing power, shall take into consideration the relationship between the prices at wholesale for refined sugar that would result from such determination and the general cost of living in the United States as compared with the relationship between prices at wholesale for refined sugar and the general cost of living in the United States obtaining during 1947 prior to the termination of price control of sugar as indicated by the Consumers' Price Index as published by the Bureau of Labor Statistics of the Department of Labor.

"Sec. 202. Whenever a determination is made, pursuant to section 201, of the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas, or revise existing quotas-

"(a) For domestic sugar-producing areas, by apportioning among such areas 4,268,000 short tons, raw value, as follows:

Area	Short tons, raw value
Domestic beet sugar-----	1,800,000
Mainland cane sugar-----	500,000
Hawaii-----	1,052,000
Puerto Rico-----	910,000
Virgin Islands-----	6,000

"(b) For the Republic of the Philippines, in the amount of nine hundred and fifty-two thousand short tons of sugar as specified in section 211 of the Philippine Trade Act of 1946.

(continued)

Sugar Act of 1948, continued

"(c) For foreign countries other than the Republic of the Philippines, by prorating among such areas an amount of sugar, raw value, equal to the amount determined pursuant to section 201 less the sum of the quotas established pursuant to subsections (a) and (b) of this section, on the following basis:

Area	Per centum
Cuba-----	98.64
Foreign countries other than Cuba and the Republic of the Philippines-----	1.36

The quota for foreign countries other than Cuba and the Republic of the Philippines shall be prorated among such countries on the basis of the division of the quota for such countries made in General Sugar Quota Regulations, Series 4, Number 1, issued December 12, 1936, pursuant to the Agricultural Adjustment Act, as amended.

"(d) Notwithstanding the other provisions of this title II, in the event the quota established for Cuba, including any and all deficits allotted or prorated to Cuba pursuant to the provisions of section 204 (a), shall be a smaller proportion of the total amount of sugar which the Secretary determines is needed to meet the requirements of consumers in the continental United States pursuant to section 201 of this Act, than the quota which would have been established for Cuba upon such consumptive estimate under the provisions of section 202 (b) of the Sugar Act of 1937, the quotas for domestic sugar-producing areas established pursuant to the other provisions of this title II shall be reduced pro rata by such amounts as are required to establish such quota for Cuba and the amounts by which such domestic sugar-producing quotas are so reduced shall be added to the quota for Cuba.

"(c) If the Secretary of State finds that any foreign country denies fair and equitable treatment to the nationals of the United States, its commerce, navigation, or industry, and so notifies the Secretary, the Secretary shall have authority to withhold or withdraw any increase in the share of the domestic consumption requirements provided for such country by this Act as compared with the share allowed under section 202 (b) of the Sugar Act of 1937: Provided, That any amount of sugar so withheld or withdrawn shall be prorated to domestic areas on the basis of existing quotas for such areas and the Secretary shall revise such quotas accordingly: Provided further, That any portion of such amount of sugar which cannot be supplied by domestic areas may be prorated to foreign countries other than a country which the Secretary of State finds has denied fair and equitable treatment to nationals of the United States.

"Sec. 203. In accordance with such provisions of section 201 as he deems applicable, the Secretary shall also determine the amount of sugar needed to meet the requirements of consumers in the Territory of Hawaii, and in Puerto Rico, and shall establish quotas for the amounts of sugar which may be marketed for local consumption in such areas equal to the amounts determined to be needed to meet the requirements of consumers therein.

(continued)



Sugar Act of 1948, continued

"Sec. 204. (a) The Secretary shall, from time to time during the calendar year, determine whether, in view of the current inventories of sugar, the estimated production from the acreage of sugarcane or sugar beets planted, the normal marketings within a calendar year of new-crop sugar, and other pertinent factors, any domestic area, the Republic of the Philippines, or Cuba, will be unable to market the quota for such area. If the Secretary finds that any domestic area or Cuba will be unable to market the quota for such area for the calendar year then current, he shall revise the quotas for the domestic areas and Cuba by prorating an amount of sugar equal to the deficit so determined to the other such areas on the basis of the quotas then in effect: Provided, however, That domestic areas shall not share in any deficit of any domestic area if the then outstanding determination of the Secretary made pursuant to section 201 of the Act is less than seven million short tons, raw value. If the Secretary finds that the Republic of the Philippines will be unable to market the quota for such area for the calendar year then current, he shall revise the quotas for Cuba and foreign countries other than Cuba and the Republic of the Philippines by prorating an amount of sugar equal to the deficit so determined, as follows:

To Cuba----- 95 per centum  
 To foreign countries other than Cuba and the Republic of the Philippines----- 5 per centum

Provided, however, That whenever the quota for Cuba established under the provisions of this Act other than section 202(d) is less than the amount required by the provisions of section 202(d) of this Act, such prorations shall be as follows:

To Cuba----- 98.64 per centum  
 To foreign countries other than Cuba and the Republic of the Philippines----- 1.36 per centum

"Any portion of such Philippine deficit which the Secretary determines cannot be supplied by Cuba shall be prorated to foreign countries other than Cuba and the Republic of the Philippines. No part of any Philippine deficit so prorated may be filled by direct-consumption sugar.

"(b) If, on the 1st day of September in any calendar year, any part or all of the proration to any foreign country of the quota for foreign countries other than Cuba and the Republic of the Philippines established under the provisions of Section 202(c) has not been filled, the Secretary may revise the proration of such quota among such foreign countries by allotting an amount of sugar equal to such unfilled proration to such foreign countries as have filled their prorations of such quota by such date.

"(c) The quota for any domestic area, the Republic of the Philippines, Cuba, or other foreign countries as established under the provisions of section 202 shall not be reduced by reason of any determination of a deficit existing in any calendar year under the provisions of the subsections (a) and (b) of this section 204.

"(d) Any proration among foreign countries other than Cuba and the Republic of the Philippines pursuant to this section shall be on such basis as the Secretary shall determine."

SUGAR REQUIREMENTS OF CONSUMERS

Section 201 of the Sugar Act of 1948 places upon the Secretary of Agriculture a responsibility which may be outlined as follows:

**THE PROBLEM:** To determine during December 1948 the quantity of sugar needed in 1949 to meet the requirements of consumers in the continental United States.

**THE OBJECTIVE:** To provide a supply of sugar that will be consumed at prices not excessive to consumers and which will fairly and equitably maintain and protect the welfare of the domestic sugar industry.

IN MAKING THIS  
DETERMINATION,  
THE SECRETARY

**MUST:** Use as a basis:  
the quantity of direct-consumption sugar distributed during the 12-month period ending October 31, 1948.

Make allowances:  
for deficiency or surplus in inventories;  
for changes in population;  
for changes in demand conditions.

Take into consideration:  
the above basis and allowances,  
the level and trend of consumer purchasing power,  
and  
the relationship of:  
wholesale refined sugar prices to the  
Consumers' Price Index for two periods-  
(1) Calendar year 1949  
(2) January-October 1947

The tables and charts which follow have been arranged in the same general order as the measures appearing above.



DISTRIBUTION OF SUGAR IN 12 MONTHS ENDING OCTOBER 31, 1948

More than 7 million short tons, raw value, of sugar were distributed by primary distributors for consumption in the continental United States during the 12-month period ending October 31, 1948. The Secretary of Agriculture is required to use as a basis for determining the 1949 requirements of consumers in the continental United States the quantity of sugar distributed for consumption in the November 1947-October 1948 period. Table 1 shows the distribution from November 1947 through October 1948.

Table 1      DISTRIBUTION OF SUGAR BY PRIMARY DISTRIBUTORS FOR CONSUMPTION IN  
CONTINENTAL UNITED STATES, 12-MONTH PERIOD ENDING OCTOBER 31, 1948  
 (1,000 short tons, raw value)

<u>1947</u>		
November	579	
December	329	
<u>1948</u>		
January	338	
February	389	
March	565	
April	558	
May	596	
June	814	<u>1/</u> Partly estimated.
July	921	
August	894	
September	609	
October	525	<u>1/</u>
Total 12-month period	<u>7,117</u>	

INVENTORIES OF SUGAR HELD BY PRIMARY DISTRIBUTORS

The Secretary of Agriculture, when making the determination of the requirements of consumers in the continental United States for 1949, must "... make allowances for a deficiency or surplus in inventories of sugar ..." When making the determination in December 1948 as required by Section 201 of the Sugar Act, he will use the latest inventory data available for 1948 and comparable dates in previous years. This will probably be for November 30, 1948. Information on December 31, 1948, stocks will be available to the Secretary should any revisions in the requirements of consumers be necessary during the calendar year 1949.

Year-end stocks of primary distributors are shown in Table 2 as "quota stocks" and "over-quota stocks." "Quota stocks" for all years shown, except 1947, represent sugar in stock which had been charged against the quota for the year shown; for 1947 they are stocks which had been released from Customs' custody (quotas were not in effect in 1947). "Over-quota stocks" are those which were charged to the succeeding year's quota, becoming a part of the succeeding year's quota supply.

Stock data have been excluded from Table 2 for the year 1939 because the suspension of quotas in September of that year was followed by abnormally large purchases of sugar. Stocks, therefore, were influenced accordingly.

Table 2

STOCKS OF SUGAR HELD BY PRIMARY DISTRIBUTORS:  
OCTOBER 31, NOVEMBER 30 AND DECEMBER 31 IN SPECIFIED YEARS  
 (1,000 short tons, raw value)

	1935	1936	1937	1938	1940	Average of 5 years shown	1947	1948	1/
<u>October 31</u>									
Refiners raws	301	285	172	301	359	284	271	289	2/
Refiners refined	340	459	329	406	360	379	115	206	
Importers, D.C.	208	93	83	98	77	112	35	50	
Sub-Total	<u>849</u>	<u>837</u>	<u>584</u>	<u>805</u>	<u>796</u>	<u>775</u>	<u>421</u>	<u>545</u>	
Beet processors	568	526	572	798	781	649	504	581	
GRAND TOTAL 3/	<u>1,417</u>	<u>1,363</u>	<u>1,156</u>	<u>1,603</u>	<u>1,577</u>	<u>1,424</u>	<u>925</u>	<u>1,126</u>	
<u>November 30</u>									
Refiners raws	256	242	212	298	392	280	272		
Refiners refined	338	366	368	388	334	359	150		
Importers, D.C.	176	63	62	87	56	89	24		
Sub-Total	<u>770</u>	<u>671</u>	<u>642</u>	<u>773</u>	<u>782</u>	<u>728</u>	<u>446</u>		
Beet processors	941	929	1,023	1,293	1,283	1,094	934		
GRAND TOTAL 3/	<u>1,711</u>	<u>1,600</u>	<u>1,665</u>	<u>2,066</u>	<u>2,065</u>	<u>1,822</u>	<u>1,380</u>		
<u>December 31</u>									
<u>"Quota stocks"</u>									
Refiners raws	91	141	165	179	279	171	387		
Refiners refined	165	250	342	311	271	268	247		
Importers, D.C.	114	57	43	77	37	66	18		
Sub-Total	<u>370</u>	<u>448</u>	<u>550</u>	<u>567</u>	<u>587</u>	<u>505</u>	<u>652</u>		
<u>"Over-Quota stocks"</u>									
Refiners raws	165	58	43	110	105	96	0		
Refiners refined	100	14	35	47	0	39	0		
Importers, D.C.	30	5	20	5	2	12	0		
Beet processors	920	966	1,084	1,383	1,602	1,191	1,231		
GRAND TOTAL 3/	<u>1,585</u>	<u>1,491</u>	<u>1,732</u>	<u>2,112</u>	<u>2,296</u>	<u>1,843</u>	<u>1,883</u>		

1/ As of October 23, 1948

2/ Includes approximately 117,000 tons which had arrived in port as of this date but which had not been unloaded.

3/ Does not include stocks held by mainland cane mills, since such data for 1935-38 are not available.

INVISIBLE SUPPLIES OF SUGAR

Stocks of sugar on June 30, 1948, in the hands of 1,319 wholesalers, retailers and industrial users, were approximately 4 percent larger than stocks held by the same firms on April 1, 1948. A summary of the reports of the 1,319 companies for the second quarter of 1948 is shown in Table 3.

Table 3      SUGAR STOCKS, RECEIPTS, AND DELIVERIES OR USAGE,  
APRIL-JUNE 1948, AS REPORTED BY 1,319  
INDUSTRIAL USERS, WHOLESALERS, AND RETAILERS

	Short tons raw value
Stocks, April 1 .....	207,273
Receipts, April-June.....	819,738 <sup>1/</sup>
Deliveries or usage, April-June.....	811,857
<u>Stocks, June 30.....</u>	<u>215,154</u>

<sup>1/</sup> These receipts represent approximately 42 percent of the total deliveries of sugar by primary distributors (sugar refiners, beet processors, and importers) during the second quarter of 1948.

Stocks reported on June 30, 1948 and on the same date in previous years were as follows:

<u>Year</u>	<u>Number of Firms Reporting</u>	<u>Stocks, June 30 (short tons, raw value)</u>	<u>Percentage of deliv- eries by primary dis- tributors represented by companies reporting (Percent)</u>
1938	1,185	241,925	36
1939	1,415	306,000	47
1940	1,311	409,796	40
1947	1,037	237,049	48
1948	1,319	215,154	42

(continued)



A limited amount of information is available on the stocks of sugar actually held by retailers, wholesalers, and industrial users. A small number of firms in each of these groups has reported for each of the calendar quarters in the July 1947-June 1948 period. A comparison of the beginning stocks, receipts, deliveries by retailers and wholesalers and usage of sugar by industrial users, and the ending stocks of each of the groups is shown in Table 4.

Table 4 "INVISIBLE" STOCKS, RECEIPTS AND DELIVERIES OR USAGE  
QUARTERLY - JUNE 30, 1947--JUNE 30, 1948  
FOR 826 FIRMS WHICH REPORTED FOR ALL PERIODS  
(short tons, raw value)

<u>Period and Number of Firms Reporting</u>	<u>Beginning Stocks</u>	<u>Receipts</u>	<u>Deliveries or Usage</u>	<u>Ending Stocks</u>
<u>July-September 1947</u>				
Retailers (95)	27,972	214,966	220,405	22,533
Wholesalers (332)	32,416	275,725	269,328	38,813
Industrial Users (399)	<u>125,874</u>	<u>398,256</u>	<u>408,971</u>	<u>115,159</u>
Total (826)	186,262	888,947	898,704	176,505
<u>October-December 1947</u>				
Retailers	22,533	203,655	198,780	27,408
Wholesalers	38,813	226,490	224,300	41,003
Industrial Users	<u>115,159</u>	<u>344,979</u>	<u>362,787</u>	<u>97,351</u>
Total	176,505	775,124	785,867	165,762
<u>January-March 1948</u>				
Retailers	27,408	125,445	131,106	21,747
Wholesalers	41,003	131,489	149,912	22,580
Industrial Users	<u>97,351</u>	<u>309,353</u>	<u>328,496</u>	<u>78,208</u>
Total	165,762	566,287	609,514	122,535
<u>April-June 1948</u>				
Retailers	21,747	170,823	167,783	24,787
Wholesalers	22,580	233,190	217,442	38,328
Industrial Users	<u>78,208</u>	<u>342,727</u>	<u>337,074</u>	<u>83,861</u>
Total	122,535	746,740	722,299	146,976

SUGAR STOCKS OF 399 INDUSTRIAL USERS ON JUNE 30 LOWER THAN LAST YEAR

Stocks of sugar held on June 30, 1948 were reported by 399 of the approximate 125,000 industrial users. The 22 canned food processors who reported had reduced their stocks on June 30, 1948 to 47 percent of the amount they had in stock a year earlier, while the 64 companies in the bakery and baking-mix group reported only a 10 percent reduction on June 30, 1948 from June 30, 1947. Each group of industrial users shown in Table 5 reported lower stocks on June 30 this year in comparison to June 30, 1947.

With respect to the companies reporting, it is not known whether the reduction in stocks is due to smaller usage this year or to a policy of carrying lower stocks. Sugar usage data are not available for these firms for the April-June 1947 period and a comparison with usage during the same calendar quarter of 1948 cannot be made.

Table 5-STOCKS HELD BY 399 INDUSTRIAL USERS, JUNE 30, 1947 AND 1948

<u>User Group</u>	<u>Number of firms</u>	<u>Stocks on hand, June 30</u>		<u>1948 as Percentage of 1947 (percent)</u>
		<u>1947</u>	<u>1948</u>	
		<u>(sht. tons, raw value)</u>		
Bakeries & Baking mixes	64	14,012	12,616	90
Ice Cream	8	1,406	1,007	72
Other Dairy	14	5,313	3,791	71
Bottled Beverages	81	9,528	6,299	66
Candy	103	41,688	27,572	66
Canned Foods	22	22,266	10,510	47
Jams & Jellies	13	701	493	70
All Other Foods	9	1,189	788	66
Pharmaceuticals	15	988	650	66
Non-Food	12	6,859	5,238	76
Multiple Users (those Manufacturing more than one group of products)	58	21,924	14,897	68

HOUSEHOLD PURCHASES APPARENTLY INFLUENCED BY THE END OF SUGAR CONTROLS

The reports of the 95 retailers (shown in Table 4 and also in Table 6) indicate that during July-December 1947, household consumers served by them purchased 59 percent of their total takings during the 12-month period ended June 30, 1948. Receipts of the 399 industrial users (shown in Table 4 and also in Table 6) amounted to 53 percent of their total takings during the 12-month period, approximately the same percentage of sugar delivered in total by primary distributors during the prewar period.

Although no information is available as to the normal seasonal pattern of household purchases, it would appear from the reports of 95 retailers that such purchases during the last half of 1947 were abnormally high. This was due probably to the termination of consumer rationing in June 1947, and the expectation of a price rise after the end of price controls on October 31, 1947. Apparently a large part of the sugar purchased during July-December 1947, was carried into the new year. These retailers' reports also indicate that consumers apparently reduced their rate of purchases in the first part of 1948 so that only 41 percent of their 12-month purchases were made during January-June 1948. This compared to prewar average distribution by primary distributors during January-June of 47 percent.

Receipts by the 399 industrial users during July-December 1947, and during January-June 1948, amounted to 53 percent and 47 percent, respectively, of their total receipts during the 12-month period. Sugar was used by these companies in approximately the same pattern. These half-year percentages (53 and 47) are identical with the prewar distribution pattern of primary distributors and also approximate the seasonal pattern of usage reported to OPA by industrial users.

Table 6 DELIVERIES OF SUGAR BY RETAILERS AND USAGE BY INDUSTRIAL USERS, SEASONALLY 1947-1948

<u>Period</u>	Percentage of "normal" annual distribution by primary <u>distributors</u> 1/	Deliveries by 95 retailers 2/ (represent about 10% of total) <u>distribution</u>		Receipts of 399 industrial users (represent about 19% of total <u>distribution</u> )	
		1,000 short tons raw value	% of 12-mo. period	1,000 short tons raw value	% of 12-mo. period
<u>1947</u>					
July-September	28	220	31	398	28
October-December	25	199	28	345	25
Total 6 months	<u>53</u>	<u>419</u>	<u>59</u>	<u>743</u>	<u>53</u>
<u>1948</u>					
January-March	21	131	18	309	22
April-June	26	168	23	342	25
Total 6 months	<u>47</u>	<u>299</u>	<u>41</u>	<u>651</u>	<u>47</u>
<u>Total 12-month period</u>	100	718	100	1,394	100

1/ Based on average for years 1935-36-38-40; also approximates normal rate of usage by all industrial users as reported to OPA.

2/ Assumed to represent receipts by household consumers.



POPULATION CHANGES

Section 201 of the Sugar Act requires the Secretary of Agriculture to make allowances for population changes when determining the requirements of consumers in the continental United States for the calendar year 1949. A preliminary estimate by the Bureau of the Census for 1949 is expected to be released soon.

Table 7. POPULATION 1935-1948, SUGAR DISTRIBUTION BY PRIMARY DISTRIBUTORS AND PER CAPITA SUGAR DISTRIBUTION, IN THE CONTINENTAL UNITED STATES 1935-47

Calendar Year	Population 1/ (000 omitted)	Distribution of Sugar by Primary Distributors		
		1,000 short tons raw value	Pounds, per capita raw value    refined	
1935	127,250	6,634	104.27	97.45
1936	128,053	6,706	104.74	97.89
1937	128,825	6,671	103.57	96.79
1938	129,825	6,643	102.34	95.64
1939	130,880	6,868	104.95	98.08
1940	131,970	6,891	104.43	97.60
1941	133,203	8,069 2/	121.15 2/	113.22 :
1942	134,665	5,466 2/	81.18 2/	75.87 :
1943	136,497	6,335	92.82	86.75
1944	138,083	7,147	103.52	96.75
1945	139,586	6,040	86.55	80.89
1946	141,229	5,621	79.60	74.39
1947	144,002	7,448 3/	103.44 3/	96.67 :
1948	146,571	-	-	-

1/ Official estimates of Bureau of the Census; includes military personnel.

2/ Unusually large distribution in 1941 due to outbreak of war in Europe; large quantities carried over into 1942 by consumers.

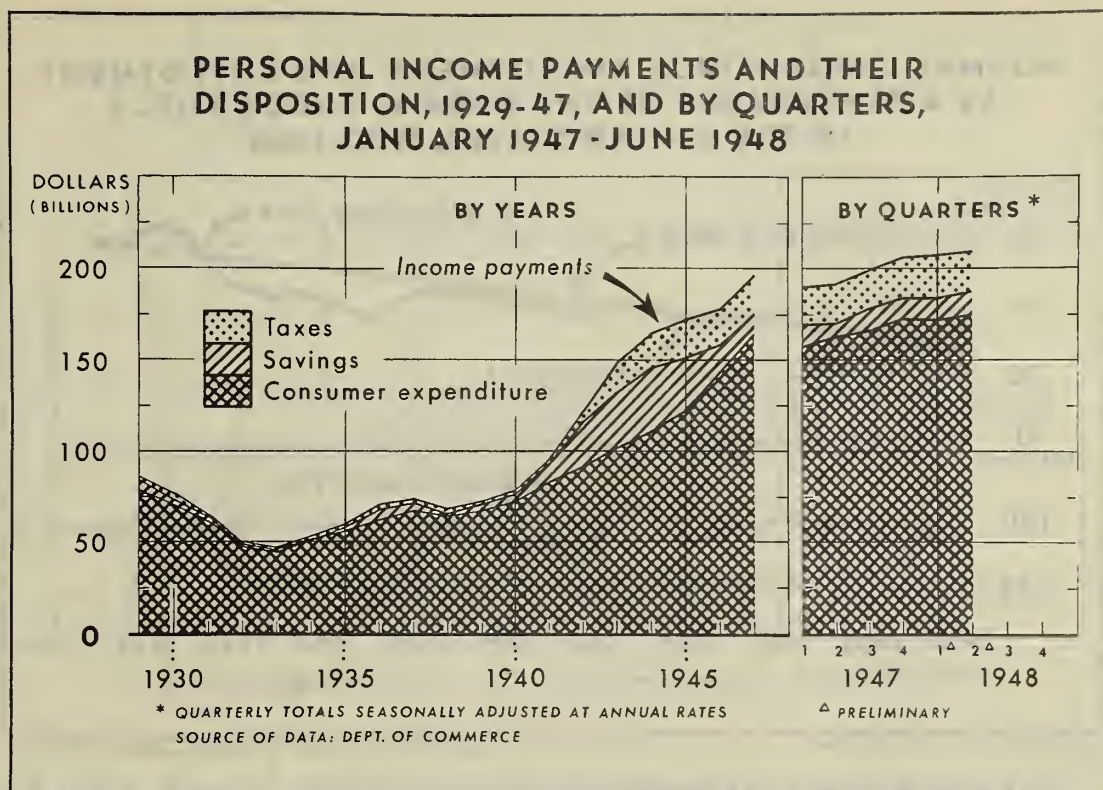
3/ Due to termination of rationing and price controls distribution in last half of 1947 larger than normal; probably large quantities carried over into 1948 by consumers.

DEMAND CONDITIONS

A great amount of statistical data is available which reflects the level and trend of consumer purchasing power. A few highly significant series of data and charts have been selected from among those published in "1949 Agricultural Outlook Charts," U. S. Department of Agriculture, Bureau of Agriculture Economics, October 1949, and appear herein as Figure I through Figure V.

The trends in prices of sugar at various stages in its distribution and comparisons of the relative prices for sugar, for all foods purchased at retail, and for all items in the Consumers' Price Index are shown in Tables 8 and 9.

The production of sugar-containing products and the **relative** prices of these products and of their ingredients have an important bearing upon the demand for sugar. Figure VI and Table 10 show production indexes of ice cream and sherbet, bread and other bakery products, confectionery, and canned and preserved products. Information on prices of sugar-containing products is very limited and therefore is not included herein. Price index numbers as of August 1948 of some of the important ingredients which go to make up sugar-containing products are shown in Figure VII. Index numbers of prices for these products in January-August 1948 and in the years 1940-47 appear in Tables 11 and 12, respectively.



U. S. DEPARTMENT OF AGRICULTURE

NEG. 45969-X BUREAU OF AGRICULTURAL ECONOMICS

As salaries, wages, profits, and farm incomes have increased to record peacetime highs, consumers' dollar incomes have been boosted to record levels. Consumers are spending more money than ever before.

Personal income payments and their disposition, United States  
1929-47 and by quarters, January 1947 - June 1948

Year	Consumer expenditure	Disposable personal income	Personal income payments	Year	Consumer expenditure	Disposable personal income	Personal income payments
	Billion dollars	Billion dollars	Billion dollars		Billion dollars	Billion dollars	Billion dollars
1929	78.8	82.5	85.1	1943	101.6	131.6	149.4
1930	70.8	73.7	76.2	1944	110.4	146.0	164.9
1931	61.2	63.0	64.8	1945	121.7	150.7	171.6
1932	49.2	47.8	49.3	1946	143.7	158.4	177.2
1933	46.3	45.2	46.6	1947	164.4	175.3	196.8
1934	51.9	51.6	53.2	1947 2/			
1935	56.2	58.0	59.9	1st qr.	156.9	168.8	189.8
1936	62.5	66.1	68.4	2nd qr.	162.3	170.1	191.4
1937	67.1	71.1	74.0	3rd qr.	165.8	177.9	199.6
1938	64.5	65.5	68.3	4th qr.	172.5	183.7	205.8
1939	67.5	70.2	72.6	1948 2/ 3/			
1940	72.1	75.7	78.3	1st. qr.	172.0	183.7	207.3
1941	82.3	92.0	95.3	2nd. qr.	175.1	187.3	208.8
1942	90.8	116.2	122.2				

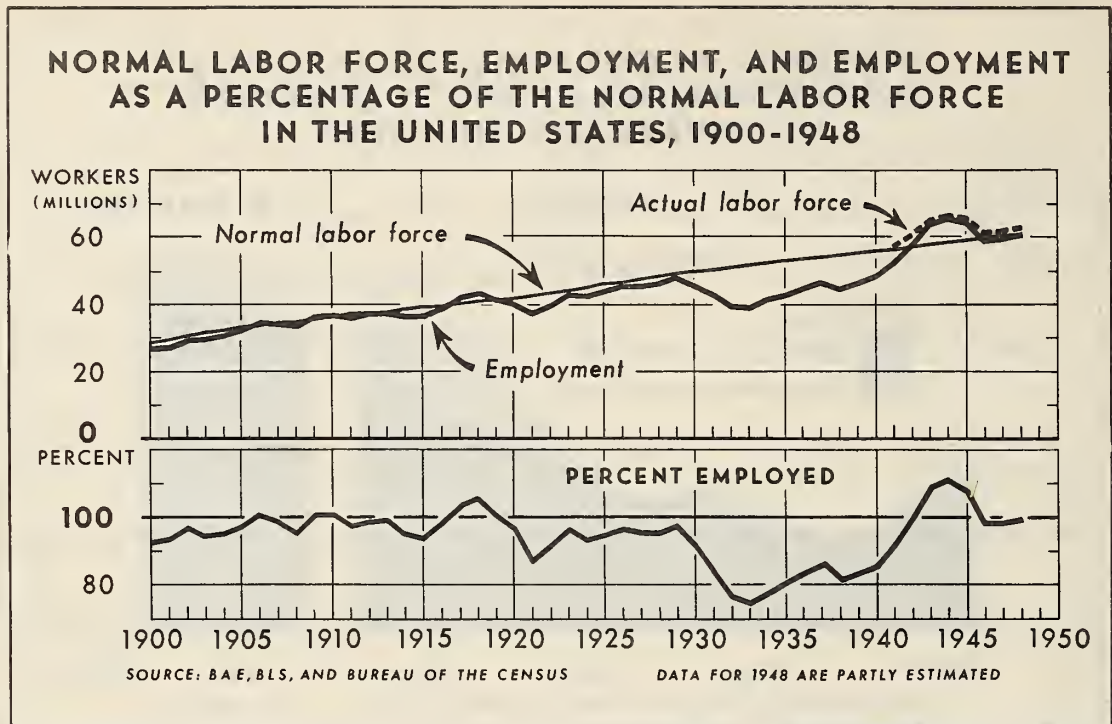
1/ Revised.

2/ Quarterly totals seasonally adjusted at annual rate.

3/ Preliminary.

Sources of data: Department of Commerce.





U. S. DEPARTMENT OF AGRICULTURE

NEG. 43805-X

BUREAU OF AGRICULTURAL ECONOMICS

Over 60 million people are now gainfully employed, and a very small proportion of those who want work are unemployed. In part, the unusually high employment is maintained by women and school-age young people who have been drawn into

the labor force in unusually large numbers. This high level of employment and the high rates of pay have built up salaries and wage payments, which form the biggest part of consumers' income.

Normal labor force, employment and employment as a percentage of the normal labor force in the United States, 1929-1948

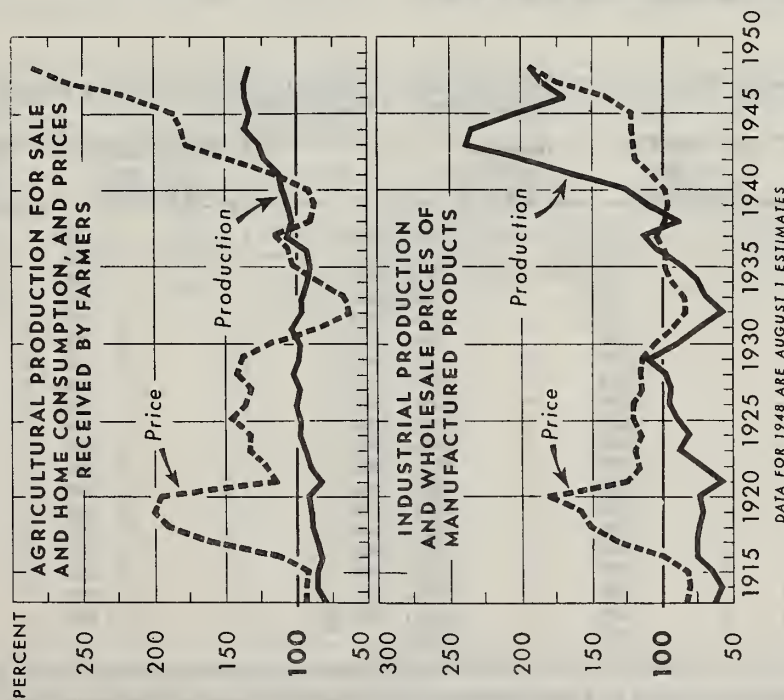
Year	Normal labor force	Actual labor force	Number employed including armed forces	Number employed as percentage of normal labor force
	Millions	Millions	Millions	Percent
1929	49.4		47.9	97
1930	50.1		45.8	91
1931	50.7		42.7	84
1932	51.2		39.2	77
1933	51.8		39.0	75
1934	52.5		41.2	78
1935	53.1		42.6	80
1936	53.7		44.7	83
1937	54.3		46.6	86
1938	55.0		44.5	81
1939	55.6		46.2	83
1940	56.2		48.0	85
1941	56.6	57.5	52.0	92
1942	57.3	60.4	57.8	101
1943	58.0	64.6	63.5	109
1944	58.7	66.0	65.4	111
1945	59.2	65.3	64.2	108
1946	59.8	61.0	58.7	98
1947	60.3	61.6	59.4	98
1948 1/	60.8	62.5	60.3	99

1/ Partly estimated.

Source of data: Bureau of Labor Statistics and Bureau of the Census.

SUGAR REPORTS  
FIGURE III

# AGRICULTURAL AND INDUSTRIAL PRODUCTION, AND PRICES, UNITED STATES, 1913-48 INDEX NUMBERS (1935-39=100)



U. S. DEPARTMENT OF AGRICULTURE NEG. 46328-X BUREAU OF AGRICULTURAL ECONOMICS

In agriculture, prices have fallen somewhat from record highs; but production remains far above prewar. As a result, farmers' contribution to national income also is high. Production usually varies much less and prices much more in agriculture than in industry.

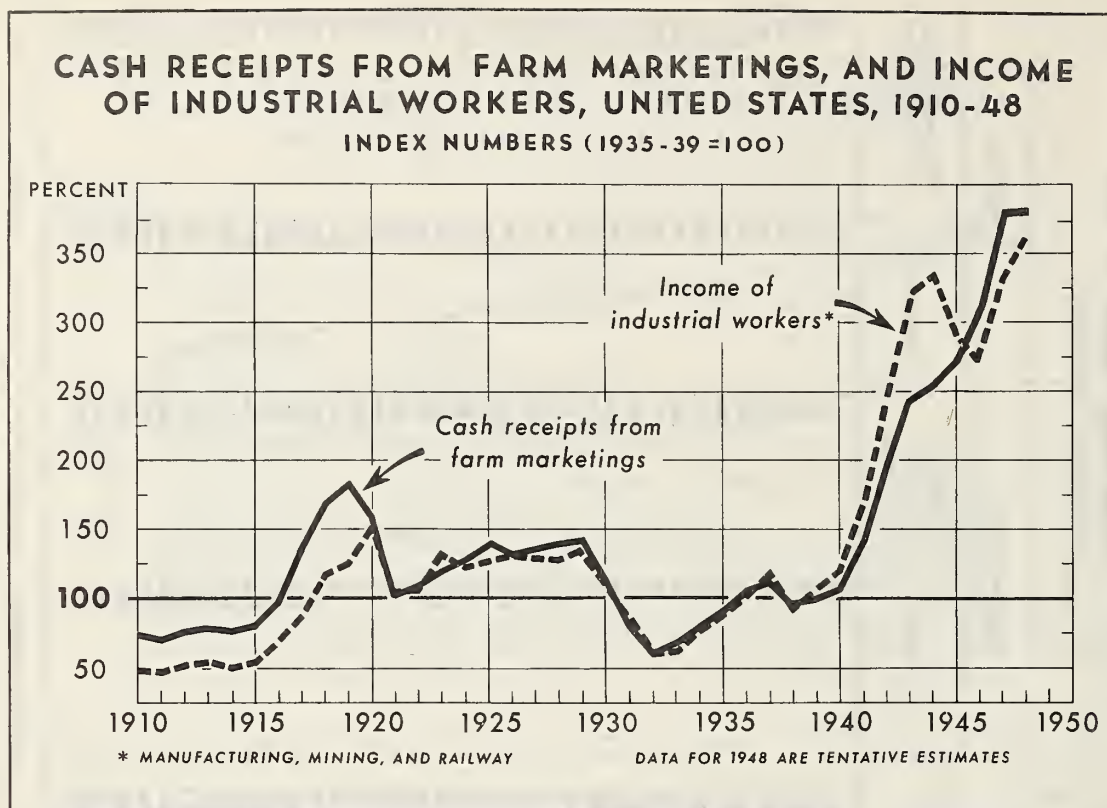
High employment, industrial earnings, and profits are a part of the peacetime record industrial production. Although production is not quite so high as during the war, most industries have been unusually busy producing for home and abroad the goods wanted by consumers. Prices of industrial goods also are high and, if the past is any guide, they may decline less and more slowly than agricultural prices in the event of a recession.

Agricultural and industrial production and prices,  
United States, 1913-48  
Index numbers (1935-39=100)

Year	Agricultural		Industrial	
	Production	Prices received by farmers	Production	Wholesale prices of manufactured products
1913	81	95	63	84
1914	86	94	58	82
1915	92	92	58	83
1916	83	110	75	99
1917	86	163	76	132
1918	90	190	75	151
1919	91	200	72	158
1920	92	196	75	181
1921	83	115	58	125
1922	91	123	73	117
1923	94	133	88	120
1924	98	133	82	116
1925	97	145	90	121
1926	100	136	96	121
1927	98	132	95	115
1928	102	141	99	116
1929	99	139	110	114
1930	98	119	91	106
1931	102	84	75	93
1932	96	63	58	85
1933	96	67	69	85
1934	93	84	75	94
1935	91	102	87	99
1936	94	106	103	99
1937	106	114	113	105
1938	103	90	109	99
1939	106	88	125	97
1940	110	93	125	99
1941	113	115	162	108
1942	124	148	199	119
1943	128	179	239	121
1944	136	182	235	122
1945	133	188	203	123
1946	136	217	170	140
1947	136	259	187	176
1948 1/2	134	285	194	194

1/ August 1 estimate.

Source of data: Industrial production - Federal Reserve Board; wholesale price of manufactured products - Bureau of Labor Statistics.



U. S. DEPARTMENT OF AGRICULTURE

NEG. 42554-X

BUREAU OF AGRICULTURAL ECONOMICS

Cash receipts from farm marketings and incomes of industrial workers have been at high levels since early in World War II. These two important segments of national

income usually move together. They are sensitive to changes in the general price level and in over-all business activity.

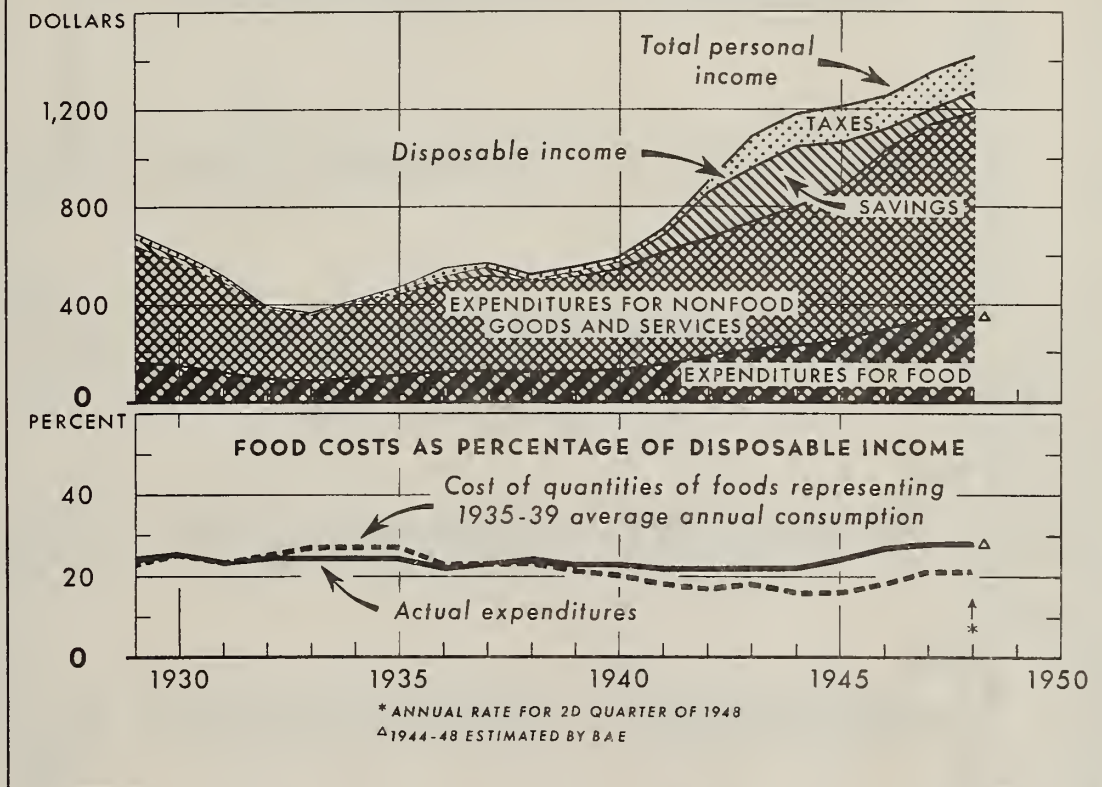
Cash receipts from farm marketings and income of industrial workers, United States, 1910-48  
Index numbers (1935-39 = 100)

Year	Cash receipts from farm marketings	Income of industrial workers 1/	Year	Cash receipts from farm marketings	Income of industrial workers 1/
1910	73	48	1930	113	110
1911	70	47	1931	80	84
1912	75	50	1932	59	58
1913	78	53	1933	67	61
1914	76	50	1934	79	76
1915	80	53	1935	89	86
1916	97	69	1936	105	100
1917	135	86	1937	111	117
1918	169	115	1938	96	91
1919	183	124	1939	99	105
1920	158	151	1940	105	119
1921	102	102	1941	140	169
1922	108	105	1942	193	241
1923	120	130	1943	244	322
1924	128	121	1944	265	336
1925	138	126	1945	270	291
1926	132	131	1946	312	275
1927	136	127	1947	379	332
1928	139	127	1948 2/	380	360
1929	142	134			

1/ Based largely on Bureau of Labor Statistics and Interstate Commerce Commission data. Includes wages of factory, mining, and Class I railway employees.

2/ Tentative estimates.



PER CAPITA FOOD COSTS, EXPENDITURES AND  
CONSUMER INCOME, UNITED STATES, 1929-48

U. S. DEPARTMENT OF AGRICULTURE

NEG. 46563-X BUREAU OF AGRICULTURAL ECONOMICS

Consumer incomes continued to increase in 1948 and so did their food expenditures. During 1947 and the first half of 1948 consumers spent, on the average, 28 percent of their disposable income for food, compared with 23 percent in the prewar period of 1935-39. Actual per capita annual rate of

expenditure for food in the second quarter of 1948 was 5 percent more than in 1947 and approximately 3 times that of the prewar period. Per capita disposable income for the same period was about 2½ times the 1935-39 average.

Per capita food cost and expenditure related to total and disposable personal income, United States average, 1929-48

Year	Total personal income		Disposable personal income		Total expenditure for consumer goods and services		Food expenditure			Cost to consumers of fixed quantities of food representing 1935-39 average annual consumption per person		
	1/	2/	1/	2/	1/	2/	Actual 1/	As percentage of		Actual 2/	As percentage of	
								Total income	Disposable income		Total income	Disposable income
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars		Percent	Percent		Percent	Percent
1929	695	673	643	612	161	146	23	24	25	157	23	23
1930	615	595	572	542	146	137	24	25	26	147	24	25
1931	520	506	490	460	118	118	23	23	24	118	23	23
1932	392	381	392	381	91	91	23	24	23	97	25	25
1933	369	358	367	358	86	86	23	24	23	97	26	27
1934	419	406	408	396	96	96	23	24	24	110	26	27
1935	468	453	459	439	107	107	23	24	24	122	26	27
1936	548	513	485	455	119	119	22	23	25	125	22	23
1937	571	548	518	487	127	127	22	23	25	126	22	23
1938	523	501	494	464	120	120	23	24	24	114	22	23
1939	551	533	512	481	121	121	22	23	24	111	20	21
1935-39	532	510	490	460	118.6	118.6	23	23	24	118.6	22	23
1940	590	570	543	513	125	125	22	23	24	113	19	20
1941	711	685	613	580	150	150	21	22	24	126	18	18
1942	902	858	670	617	187	187	21	22	28	190	17	17
1943	1,088	958	740	658	215	215	22	22	29	171	16	16
1944	1,184	1,048	802	711	211	211	20	22	29	171	14	16
1945	1,213	1,094	875	775	253	253	21	24	29	175	14	16
1946	1,253	1,120	1,037	901	301	301	24	27	29	202	16	18
1947	1,347	1,198	1,137	997	340	340	25	28	30	248	18	21
1948												
1st quarter	1,414	1,253	1,173	1,037	355	355	25	28	30	262	19	21
2nd quarter	1,418	1,272	1,190	1,056	356	356	25	28	30	263	19	21

1/ Computed from aggregate income and expenditure data of the Bureau of Foreign and Domestic Commerce, using total United States population as estimated by the Bureau of the Census and adjusted for under-enumeration of children by the Bureau of Agricultural Economics.

2/ Cost to consumers of quantities of foods representing average annual consumption per person during 1935-39 is calculated by taking as a 1935-39 base the actual food expenditure for that period (\$118.6) and applying to this base cost a U.S. average consumer's food price index. The index is a weighted average of indexes representing (1) retail food prices in 56 cities (U.S. Bureau of Labor Statistics), (2) retail food prices in other cities and towns, and (3) prices received by producers applied to foods consumed on farms where produced.

3/ Estimated by B.A.E. from revised expenditures for food and alcoholic beverages reported by the Bureau of Foreign and Domestic Commerce.



Table 8  
SUGAR PRICES AND RELATED DATA MONTHLY JANUARY 1947-OCTOBER 1948

PERIOD	PRICES (Cents per Pound)			PRICE INDEX NUMBERS (1935-39 = 100)		
	Raw Sugar	Refined Sugar	1/	Refined Sugar	All Foods	All Items
	Duty Paid	Wholesale : Retail	Wholesale : Retail	Wholesale : Retail	Wholesale : Retail	Wholesale : Retail
	N.Y.	N.Y.	U.S.Avg.	N.Y.	U.S.Avg.	U.S.Avg.
	(1)	(2)	(3)	(4)	(5)	(6)
						(7)
						(8)
1947						
January	6.02	8.09	9.5	170	177	198
February	6.12	8.20	9.6	172	179	205
March	6.13	8.20	9.7	172	180	212
April	6.18	8.25	9.7	173	181	205
May	6.18	8.25	9.7	173	181	202
June	6.18	8.25	9.7	173	181	205
July	6.18	8.25	9.7	173	181	211
August	6.30	8.38	9.7	176	181	218
September	6.32	8.40	9.8	176	182	227
October	6.32	8.40	9.8	176	183	225
November	6.32	8.40	9.9	176	184	225
December	6.32	8.40	9.9	176	185	226
Year	6.21	8.29	9.7	174	181	213
1948						
January	5.83	8.21	9.9	172	184	228
February	5.51	7.82	9.5	164	178	218
March	5.42	7.75	9.4	163	175	220
April	5.35	7.75	9.4	163	174	224
May	5.14	7.61	9.3	160	174	224
June	5.35	7.52	9.2	158	171	229
July	5.69	7.75	9.2	163	172	238
August	5.78	7.75	9.3	163	173	240
September	5.66	7.75	9.3	163	174	236
October	5.65	7.75	9.3	163	174	236
1/ Wholesale prices are quoted in "basis" packages while retail prices are quoted for consumer-type packages						
In 1948 this meant 100-pound paper and 5-pound paper, respectively. Wholesale prices before deduction of 2 percent discount.						
2/ Preliminary						
3/ Not available.						

1/ Wholesale prices are quoted in "basis" packages while retail prices are quoted for consumer-type packages. In 1948 this meant 100-pound paper and 5-pound paper, respectively. Wholesale prices before deduction of usual 2 percent discount.

2/ Preliminary

3/ Not available.

Sources: Column (1): computed from ceiling prices, CCC selling prices, and daily prices from N.Y. Coffee & Sugar Exchange; column (2): computed from ceiling prices and compiled from daily quotations in N.Y. Journal of Commerce; columns (3), (7), (8): B.L.S. monthly "Consumers' Price Index and Retail Food Prices"; column (4): computed from column 2 base, Table 9; column (5): B.L.S. Retail Food Prices by Cities; column (6): B.L.S. monthly "Average Wholesale Prices and Index Numbers of Individual Commodities" converted to 1935-39 base.





SUGAR PRICES AND RELATED DATA  
ANNUAL 1924-46

PERIOD	PRICES (CENTS per pound)														PRICE INDEX NUMBERS (1935-39 = 100)													
	Raw Sugar		Refined Sugar 1/		Refined Sugar		All Foods		All Items		Raw Sugar		Refined Sugar		All Foods		All Items											
	Duty Paid		Wholesale		Retail		Wholesale		Retail		Wholesale		Retail		Wholesale		Retail											
	N.Y.	(1)	N.Y.	(2)	U.S.Avg.	(3)	N.Y.	(4)	U.S.Avg.	(5)	N.Y.	(6)	U.S.Avg.	(7)	N.Y.	(8)	U.S.Avg.	(9)										
1924	5.9		7.46		9.0		157		2/	115		123		122		122		122										
1925	4.3		5.56		7.0		117		2/	127		133		125		125		125										
1926	4.3		5.57		6.8		117		2/	126		137		126		126		126										
1927	4.7		5.91		7.2		124		2/	122		132		124		124		124										
1928	4.1		5.63		6.9		118		2/	128		131		123		123		123										
1929	3.8		5.13		6.4		108		2/	126		132		122		122		122										
1930	3.3		4.71		6.1		99		2/	114		126		119		119		119										
1931	3.3		4.52		5.6		95		2/	94		104		109		109		109										
1932	2.9		4.07		5.0		85		2/	77		86		98		98		98										
1933	3.2		4.41		5.3		93		2/	77		84		92		92		92										
1934	2.9		4.53		5.5		95		2/	89		94		96		96		96										
1935	3.2		4.96		5.7		104		101	106		100		98		98		98										
1936	3.6		4.79		5.6		101		100	104		101		99		99		99										
1937	3.5		4.83		5.6		101		101	108		105		103		103		103										
1938	3.0		4.57		5.3		96		98	93		98		101		101		101										
1939	3.0		4.66		5.4		100		101	89		95		99		99		99										
1940	2.8		4.43		5.2		93		97	90		97		100		100		100										
1941	3.4		5.02		5.7		105		106	105		106		105		105		105										
1942	3.7		5.55		6.8		117		126	126		124		116		116		116										
1943	3.7		5.60		6.8		118		126	135		138		124		124		124										
1944	3.7		5.57		6.7		117		125	133		136		126		126		126										
1945	3.8		5.50		6.7		115		125	134		139		128		128		128										
1946	4.6		6.47		7.7		136		143	165		160		139		139		139										

1/ Wholesale prices are quoted in "basis" packages while retail prices are quoted for consumer-type packages.

1/ Wholesale prices are quoted in "basis" packages while retail prices are quoted for consumer-type packages. Wholesale prices shown are before deduction of usual 2 percent discount.

2/ Index numbers for these years not comparable.

Sources: Column (1): Agriculture Yearbook-1933; Agricultural Statistics-1942 and 1947.

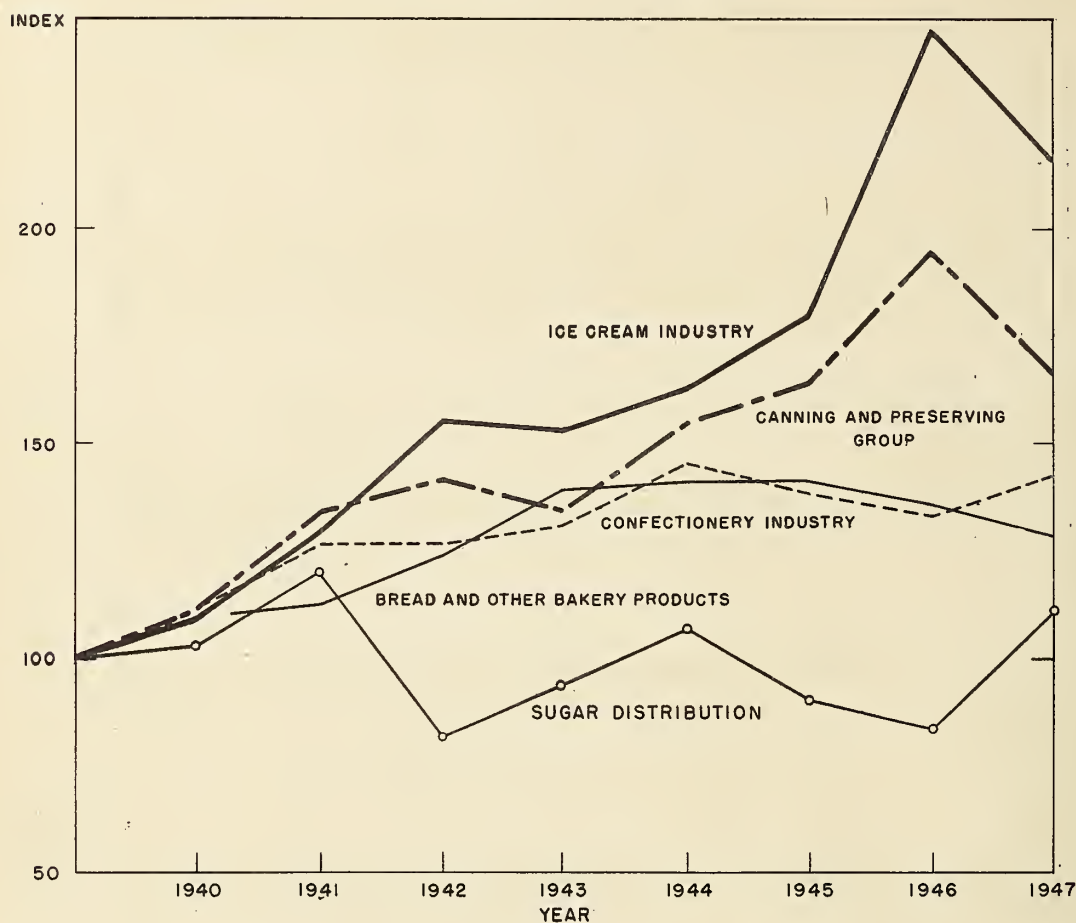
Column (2): Compiled on basis of Lamborn Sugar Market Reports 1924-41; 1942-46 Calculated from ceiling prices.

Columns (3) (5) (6) (7): Bureau of Labor Statistics.

Column (4): Calculated from Column 2.

# INDEX NUMBERS OF SUGAR DISTRIBUTION AND PRODUCTION IN SELECTED SUGAR-USING INDUSTRIES

ANNUAL 1940-1947 (1935-39 = 100)



Limited information is available on production of sugar-containing products. The trends in ice cream and sherbet manufacture and in canning and preserving were upward through 1946, then declined sharply in 1947. Confectionery manufactures rose from the 1935-39 level through 1944, dipped in 1945-46 and recovered to near 1944 levels in 1947. Production of bread and other bakery products has declined since 1945 to slightly above the 1942 level. Sugar distribution, rose in 1947 after having been below the 5-year average of 1935-39 in four of the preceding seven years.

Table 10 INDEX NUMBERS OF SUGAR DISTRIBUTION AND OF PRODUCTION  
IN SELECTED FOOD INDUSTRIES - ANNUAL 1940-47  
(1935-39 = 100)

	1940	1941	1942	1943	1944	1945	1946	1947
Sugar distribution-total	103	120	82	94	107	90	84	111
<b>Production</b>								
Bread & other Bakery Products <sup>1/</sup>	111	113	124	139	142	142	137	129
Canning & Preserving Group	111	134	142	135	155	164	194	166
Confectionery Industry	112	126	127	131	146	138	134	142
Ice Cream Industry	110	130	155	153	163	180	247	216

<sup>1/</sup> Not available

Source: Sugar Branch and Bureau of Labor Statistics



INDEXES OF PRODUCTION IN SELECTED FOOD INDUSTRIES

The index numbers of production in selected food industries shown in Table 10 for the years 1940-47 have been computed from information supplied by the Bureau of Labor Statistics.

Bread and Other Bakery Products Industry. The Bureau of Labor Statistics states, "The bread and other bakery products industry is comprised of the Census industry of the same name and, in addition, the biscuit, crackers, and pretzels industry. According to the Census, the industry includes 'bakeries operated in connection with restaurants, chain stores, etc..... whenever it is possible to segregate the bakery business from the other business or, if such segregation is impossible, where it is obvious that the income derived from the bakery business constitutes the greater part of total income.'

"No statistics on the output of bakery products have been collected since 1939. The production index is based on estimates of the quantities of wheat flour consumed in the two branches of the industry. The estimates from 1939-45 are based on a sample of large producers, and the production index is not likely to represent the trend for miscellaneous bakeries operated in connection with service establishments. Since the consumption series are estimates and because flour consumption is only a crude measure of the output of bakery products, the index should be regarded as only a rough approximation of production trends in the industry."

Canning and Preserving Group. "The canning and preserving group consists of the 7 industries included by the Census of Manufactures, 1939, in the canned and preserved foods subgroup. Five of the 7 industries comprise the canned and preserved fruits and vegetables industries: canned and dried fruits and vegetables, preserves, jams, jellies, and fruit butters; pickled fruits and vegetables, and vegetable sauces and seasonings; salad dressings; and quick-frozen foods. The canned and cured fish component includes the 2 remaining industries: canned fish, crustacea, and mollusks; and cured fish.

"The production index is an arithmetic mean, with 1939 man-hour weights, of the production indexes for the two groupings, canned and preserved fruits and vegetables and canned and cured fish, as defined above.

"The index for canned and preserved fruits and vegetables 1939-47 is a weighted arithmetic mean of indexes for (1) canned and dried fruits and vegetables, (2) preserves, jams, jellies, and fruit butters, (3) salad dressings, and (4) quick-frozen fruits and vegetables. An index could not be prepared for the pickled fruits and vegetables industry. The production index for canned and dried fruits and vegetables is based on the output of 36 canned fruits and vegetables, soups, and 6 dried fruits for the period 1939-45. The 1939-46 segment is based on data for 31 canned fruits and vegetables and the 6 dried fruits. The 1947 figure is preliminary and is based on 36 products.

"The production indexes for the preserves, jams, and jellies component and for salad dressings are based on unweighted production data. Output of preserves, jams, and jellies for 1939-47 is measured in millions of cases as reported in Western Canner and Packer magazine. The index for salad dressings is based on statistics for total commercial production of salad dressings, mayonnaise, sandwich spread, French dressing and other products, compiled by the Department of Commerce.

(continued)

## INDEXES OF PRODUCTION (Continued)

"The index for quick-frozen foods is based on the commercial pack of 23 products combined with 1944 unit-value-added weights. Production data (expressed in pounds) are from Western Canner and Packer, from releases of the U. S. Department of Agriculture, and from figures published by the National Association of Frozen Food Packers in Frozen Food Pack Statistics.

"The production index for canned and cured fish, the other component of the group, was derived from production statistics of the Fish and Wildlife Service of the Department of the Interior for 8 canned seafood products (measured in standard cases): salmon, pilchard sardines, herring sardines, shrimp, tuna and tuna-like fishes, mackerel, oysters, and clam products. The index for 1947 is based on preliminary data."

Confectionery Industry. The Bureau of Labor Statistics states, "The confectionery industry, as defined for this index, corresponds with the 1939 Census industry, candy and other confectionery products. The Census industry includes establishments engaged primarily in the manufacture of candy, confections, popcorn balls and cakes, salted nuts, stuffed dates, and related products. The industry definition does not cover establishments engaged in the manufacture of chewing gum or of solid sweet and milk chocolate, nor the chocolate departments operated by confectionery manufacturers for the production of coatings for their own use.

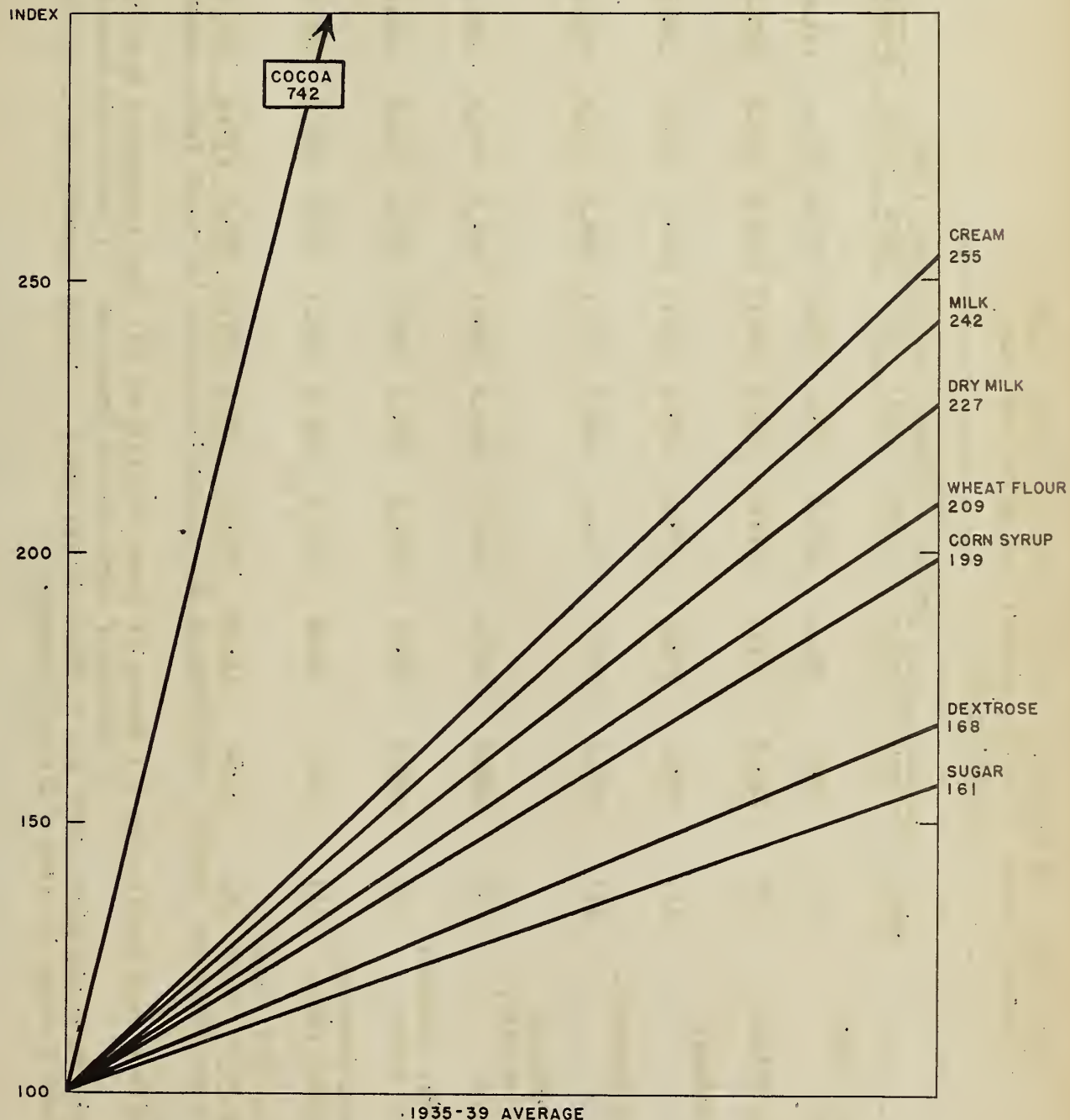
"The production index for 1939-46 is based on quantity statistics for candy sales of groups of identical establishments in overlapping two-year periods. The data are published by the Bureau of Foreign and Domestic Commerce in the annual report, Confectionery Sales and Distribution. Data for the following eight product classes were weighted by their respective average unit sales values (dollars per pound) in 1939 and combined into an aggregative chain index of the physical volume of sales: plain and fancy package goods; chocolate and chocolate-covered bulk confectionery; other bulk confectionery; molded chocolate candy bars; chocolate-covered candy bars; other candy bars; five-and-ten cent packages; and penny goods. The index was extended to 1947 by the use of data furnished by the Bureau of the Census for the total poundage of confectionery produced in 1946 and 1947."

Ice Cream Industry. The Bureau of Labor Statistics states, "The ice cream industry conforms with the 1939 Census industry, ice cream and ices, which includes establishments primarily engaged in the manufacture of frozen desserts made of milk, cream, fruit juices, and flavoring extracts.

"The production index 1939-46, is an unweighted measure based on total gallons of ice cream and sherbet produced at wholesale. The index for 1947 is a preliminary estimate. The production data are compiled by the Bureau of Agricultural Economics and published annually in Manufactured Dairy Products. BAE publishes data on wholesale and retail ice cream production separately, but shows only the total for sherbet production. Sherbet produced at wholesale was estimated on the assumption that the proportion produced at wholesale is the same as for ice cream."



AUGUST 1948 INDEX NUMBERS OF PRICES OF SELECTED INGREDIENTS  
IN SUGAR-CONTAINING PRODUCTS  
(1935-39=100)



Some of the important ingredients of sugar-containing products are shown above with their August 1948 price index numbers based upon average prices in the years 1935-39. Index numbers for the same products in the January-August 1948 period appear in Table 11. Index numbers of annual prices for these and three other ingredients of sugar-containing products are shown in Table 12.



Table 11 INDEX NUMBERS OF WHOLESALE PRICES OF SELECTED INGREDIENTS IN SUGAR-CONTAINING PRODUCTS, MONTHLY JANUARY-AUGUST 1948 1/  
(1935-39=100)

Commodity	Source	Average wholesale price index, 1948											
		January	February	March	April	May	June	July	August				
Sugar, granulated, f.o.b. New York, net cash	(1)	170.7	162.6	161.4	161.4	158.8	157.1	161.4	161.4				
Dextrose, in bags, Chicago	(2)	195.3	181.1	174.6	172.3	170.7	167.9	167.9	167.9				
Corn syrup, 42° unmixed, f.o.b. New York	(1)	208.1	203.1	197.4	197.4	198.6	199.0	199.0	199.0				
Cocosa, Accra, fair fermented, spot, New York	(1)	725.5	725.5	655.4	588.5	553.1	692.9	742.2	742.2				
Wheat flour, hard winter, short patents, Kansas City, season average price	(3)	256.2	226.0	226.7	223.3	216.1	206.8	205.8	208.9				
Cream, 40% butterfat, average, N.Y., Philadelphia, Boston	(4)	269.4	269.7	258.9	256.3	260.0	250.4	255.2	255.4				
Milk, 3.5% butterfat standard grade, dealer's buying price	(3)	232.8	232.3	232.8	231.9	230.1	230.6	236.0	242.0				
Dry milk, solids-not-fat, manufacturer's selling price index	(3)	211.0	215.6	213.0	207.1	207.8	212.4	217.4	227.2				

1/ All information available for peanuts, strawberries and peaches comparable to annual index numbers shown in Table 12.

Sources: Computed from data supplied by (1) Bureau of Labor Statistics; (2) Corn Industries Research Foundation; (3) Bureau of Agricultural Economics; (4) PMA Market News Service.

NOTE: Index numbers for sugar shown above and in Table 12 are based on prices reported by BLS and not on prices shown in Table 9 which are from a different source.

Table 12  
INDEX NUMBERS OF WHOLESALE PRICES OF SELECTED INGREDIENTS  
IN SUGAR-CONTAINING PRODUCTS, ANNUAL 1940-47  
(1935-39=100)

Commodity	Source	1940	1941	1942	1943	1944	1945	1946	1947
Sugar, granulated, f.o.b. New York, net cash	(1)	92.4	104.9	115.7	116.6	115.9	114.4	135.0	172.4
Dextrose, in bags, Chicago	(2)	94.4	111.0	123.9	124.7	124.9	124.9	169.9	196.6
Corn Syrup, 42°, unmixed, f.o.b., New York	(1)	93.3	100.2	105.9	105.5	114.6	120.8	144.0	181.1
Cocoa, Accra, fair fermented, Spot, New York	(1)	84.9	126.5	148.7	148.1	148.1	148.1	193.4	582.2
Peanuts, season average price received by farmers	(3)	98.9	138.4	180.3	211.5	238.9	245.7	270.4	300.0
Wheat flour, hard winter, short patents, Kansas City, season average price	(3)	93.8	113.7	123.3	145.9	144.2	148.3	212.7	238.4
Cream, 40% butterfat, average N.Y., Philadelphia, Boston	(4)	101.1	123.0	136.2	163.4	165.1	169.1	219.7	223.9
Milk, 3.5% butterfat, standard grade, dealer's buying price	(3)	101.1	109.8	127.6	144.6	148.2	149.1	179.3	215.4
Dry milk, solids-not-fat manufacturer's selling price	(3)	99.2	130.0	186.9	199.5	206.0	203.1	209.6	156.8
Strawberries, all-commercial, season average by growers	(3)	92.4	93.6	120.0	238.9	299.2	324.9	368.7	284.9
Peaches, season average price received by farmers	(3)	87.4	100.7	165.9	297.6	260.0	247.8	231.2	181.4

Source: Computed from data supplied by (1) Bureau of Labor Statistics; (2) Corn Industries Research Foundation; (3) Bureau of Agricultural Economics; and (4) FMA Market News Service.

Table 13

RELATIONSHIP BETWEEN PRICES AT WHOLESALE FOR REFINED SUGAR  
AND THE CONSUMERS' PRICE INDEX, JANUARY-OCTOBER 1947,  
COMPARED WITH CURRENT AND EARLIER PERIODS

Period	Wholesale price refined cane sugar N.Y. a/ (cents per lb.)	Consumers' Price Index b/ (1947=100)	Price bearing ratio to CPI as in Jan-Oct 1947 c/ (cents per lb.)	Actual price as percent of price in column 3 d/
	(1)	(2)	(3)	(4)
Jan-Oct 1947 (Base period)	8.267	157.84	8.267	100.0
Jan-Sept 1948	7.768	170.8	8.946	86.8
1947	8.289	159.2	8.338	99.4
1946	6.472	139.3	7.296	88.7
1945	5.500	128.4	6.725	81.8
1944	5.567	125.5	6.573	84.7
1943	5.600	123.6	6.473	86.5
1942	5.553	116.5	6.102	91.1
1941	5.022	105.2	5.510	91.1
1940	4.425	100.2	5.248	84.3
1935-39 Avg.	4.76	100.0	5.2376	90.0

a/ Jan-Oct 1947 calculated from ceiling prices; Nov 1947-Sept 1948 calculated from daily quotation of New York Journal of Commerce; 1935-46 Agricultural Statistics, net cash price converted to quoted price.

b/ As reported by Bureau of Labor Statistics.

c/ Consumers' Price Index for respective period multiplied by .052376, the factor obtained by dividing wholesale refined cane sugar price Jan-Oct 1947 (8.267) by the Consumers' Price Index Jan-Oct 1947 (157.84).

d/ Column (1) divided by column (3).



PRICES RECEIVED BY FARMERS FOR SUGAR BEETS AND SUGARCANE

Prices received by farmers for sugarcane in Louisiana and Florida during the past 9 years have increased steadily. During the same period, prices received for sugar beets have made gains in every year except 1945. Preliminary price estimates for 1947 show sugar beet prices at 113 percent of parity and sugarcane prices at 100 percent of parity. Sugar beet prices have been above parity since 1940 while sugarcane prices were above parity in four of the years in the 1937-47 period.

Table 14

**SUGAR BEETS AND SUGARCANE SEASON AVERAGE PRICE  
PER TON (DOLLARS) RECEIVED BY FARMERS <sup>1/</sup> AND PARITY PRICES**

Year	SUGAR BEETS			SUGARCANE		
	United States			Louisiana and Florida		
	Price	Parity	Price as %	Price	Parity	Price as %
	: Received	: Price	: of Parity	: Received	: Price	: of Parity
1937	7.15	7.33	98	3.86	4.96	78
1938	6.52	6.93	94	3.75	4.70	80
1939	6.71	6.82	98	3.88	4.63	84
1940	7.00	6.88	102	3.91	4.66	84
1941	8.33	7.26	115	4.97	4.92	101
1942	9.28	8.25	112	5.80	5.60	104
1943	11.42	8.91	128	5.93	6.04	98
1944	13.32	9.30	143	6.25	6.30	99
1945	12.70	9.46	134	6.95	6.42	108
1946	13.75	10.60	130	7.95	7.20	110
1947	14.40 <sup>2/</sup>	12.70	113	8.62 <sup>2/</sup>	8.62	100
1948		13.75 <sup>3/</sup>			9.32 <sup>3/</sup>	

<sup>1/</sup> Represents gross payments relative to sugar beets and sugarcane marketed before applying penalties that were imposed in several years and before deducting county association expenses in years charged. Crop deficiency and acreage abandonment payments not included. Includes conditional payments under the Sugar Act of 1937 computed at basic rates before adjusting for reductions applicable to large producers. Also includes price support payments for sugar beets 1942 through 1947, and for sugarcane 1943, 1944, and 1945.

<sup>2/</sup> Preliminary. <sup>3/</sup> Based on index of prices paid during first 8 months of 1948.

Sources: Bureau of Agricultural Economics and Sugar Branch, PMA.

HAWAIIAN AND PUERTO RICAN CONSUMERS' REQUIREMENTS OF SUGAR

Section 203 of the Sugar Act of 1948 requires the Secretary of Agriculture to " . . . determine the amount of sugar needed to meet the requirements of consumers in the Territory of Hawaii, and in Puerto Rico . . ." He must do so " . . . in accordance with such provisions of section 201 (of the Sugar Act) as he deems applicable . . ." The Secretary, if he deems it applicable, may consider the amount of sugar distributed for consumption in Hawaii and Puerto Rico during the 12-month period ending October 31, 1948. Table 15 shows distribution in Hawaii and Puerto Rico from November 1947 through October 1948.

Table 15      DISTRIBUTION OF SUGAR BY PRIMARY DISTRIBUTORS FOR CONSUMPTION IN  
PUERTO RICO AND HAWAII, 12-MONTH PERIOD ENDING OCTOBER 31, 1948  
(1,000 short tons, raw value)

<u>1947</u>	<u>Hawaii</u>	<u>Puerto Rico</u>
November	2	7
December	2	20
<u>1948</u>		
January	1	2
February	2	5
March	3	7
April	3	5
May	3	11
June	4	9
July	6	11
August	6	7
September	3	8
October	3 1/2	7 1/2
<u>Total</u>	38	99

1/ Estimated

Table 16--POPULATION, DISTRIBUTION OF SUGAR BY PRIMARY DISTRIBUTORS  
AND PER CAPITA DISTRIBUTION, IN HAWAII AND PUERTO RICO  
1937-1947.

<u>HAWAII</u>				
<u>Calendar Year</u>	<u>Population 1/ (000 omitted)</u>	<u>Distribution of Sugar by Primary Distributors</u>		
		<u>1,000 short tons raw value</u>	<u>pounds, per capita raw value</u>	<u>refined</u>
1937	401	31	154.61	144.50
1938	410	27	131.71	123.09
1939	416	31	149.04	139.29
1940	428	33	154.20	144.11
Avg. 1937-40	414	30	144.93	135.45
1941	463	37	159.83	149.37
1942	574	47	163.76	153.05
1943	637	63	197.80	184.86
1944	850	78	183.53	171.52
1945	812	68	167.49	156.53
1946	551	38	137.93	128.91
1947	544	36	132.35	123.69
<u>PUERTO RICO</u>				
1937	1,777	72	81.03	75.73
1938	1,810	69	76.24	71.25
1939	1,844	62	67.24	62.84
1940	1,880	69	73.40	68.60
Avg. 1937-40	1,828	68	74.40	69.53
1941	1,915	78	81.46	76.13
1942	1,958	85	86.82	81.14
1943	2,004	97	96.81	90.48
1944	2,047	100	97.70	91.31
1945	2,087	117	112.12	104.79
1946	2,100	115	109.52	102.36
1947	2,149	125	116.33	108.72

1/ Official estimates of Bureau of the Census; includes military personnel stationed in these areas.



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